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**ANNUAL AUDITED REPORT
FORM X-17A-5
PART III**

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**Information Required of Brokers and Dealers Pursuant to Section 17 of the
Securities Exchange Act of 1934 and Rule 17a-5 Thereunder**

REPORT FOR THE PERIOD BEGINNING 01/01/2019 AND ENDING 12/31/2019
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: Apexus Capital LLC

OFFICIAL USE ONLY

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)

FIRM I.D. NO.

321 19th Street

(No. and Street)

Santa Monica

California

90402

(City)

(State)

(Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT

Dan Nagy

(310) 850-3868

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

Brian W. Anson, CPA

(Name - if individual, state last, first, middle name)

18401 Burbank Blvd. #120

Tarzana

California

(Address)

(City)

(State)

CHECK ONE:

☒ Certified Public Accountant

☐ Public Accountant

☐ Accountant not resident in United States or any of its possessions

Securities and Exchange Commission
Trading and Markets

FEB 18 2020

Washington DC
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SEC
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Section

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*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

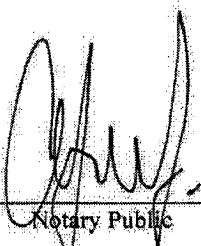
SEC 1410 (06-02)

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Ed.

OATH OR AFFIRMATION

I, Daniel E. Nagy, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Apexus Capital LLC, as of December 31, 2019, are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:


Notary Public

Daniel E. Nagy
Signature
President & CCO
Title



This report ** contains (check all applicable boxes):

- ☒ (a) Facing Page.
- ☒ (b) Statement of Financial Condition.
- ☒ (c) Statement of Income (Loss).
- ☒ (d) Statement of Changes in Financial Condition.
- ☒ (e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietors' Capital.
- ☒ (f) Statement of Changes in Liabilities Subordinated to Claims of Creditors.
- ☒ (g) Computation of Net Capital.
- ☒ (h) Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3.
- ☒ (i) Information Relating to the Possession or Control Requirements Under Rule 15c3-3.
- ☐ (j) A Reconciliation, including appropriate explanation of the Computation of Net Capital Under Rule 15c3-1 and the Computation for Determination of the Reserve Requirements Under Exhibit A of Rule 15c3-3.
- ☐ (k) A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation.
- ☒ (l) An Oath or Affirmation.
- ☐ (m) A copy of the SIPC Supplemental Report.
- ☐ (n) A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit.

****For conditions of confidential treatment of certain portions of this filing, see section 240.17a-5(e)(3).**

BRIAN W. ANSON

Certified Public Accountant

18401 Burbank Blvd., Suite 120, Tarzana, CA 91356 • Tel. (818) 636-5660 • Fax (818) 401-8818

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders* and Board of Directors of Apexus Capital, LLC

Opinion on the Financial Statements

I have audited the accompanying statement of financial condition of Apexus Capital, LLC as of December 31, 2019, the related statements of income, changes in member's equity, and cash flows for the year then ended, and the related notes (collectively referred to as the financial statements). In my opinion, the financial statements present fairly, in all material respects, the financial position of Apexus Capital, LLC as of December 31, 2019, and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of Apexus Capital, LLC's management. My responsibility is to express an opinion on Apexus Capital, LLC's financial statements based on my audit. I am a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and am required to be independent with respect to Apexus Capital, LLC in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

I conducted my audit in accordance with the standards of the PCAOB. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. My audit included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. My audit also included evaluating the accounting principles used and significant estimates made by management, as evaluating the overall presentation of the financial statements. I believe that my audit provides a reasonable basis for my opinion.

Auditor's Report on Supplemental Information

The information contained in Schedule I, II, and III ("Supplemental Information") has been subjected to audit procedures performed in conjunction with the audit of the Apexus Capital, LLC's financial statements. The Supplemental Information is the responsibility of the Apexus Capital, LLC's management. My audit procedures included determining whether the Supplemental Information reconciles to the financial statements or the underlying accounting and other records, as applicable, and performing procedures to test the completeness and accuracy of the information presented in the Supplemental Information. In forming my opinion on the Supplemental Information, I evaluated whether the Supplemental Information, including its form and content is presented in conformity with 17 C.F.R. § 240.17a-5. In my opinion, Schedules I, II, and III are fairly stated, in all material respects, in relation to the financial statements taken as a whole.



Brian W. Anson

Certified Public Accountant

I have served as Apexus Capital, LLC's auditor since 2016.

Tarzana, California

February 7, 2020

Apexus Capital LLC
Statement of Financial Condition
December 31, 2019

Assets

Cash	\$	117,688
Marketable securities		452,761
Accounts Receivable		13,800
Receivable from clearing firm		1,024
Deposits with clearing firm		100,500
CRD balance		901
Prepaid Expenses		624
Software, net of amortization of \$300		<u>6,894</u>

Total assets	\$	<u>694,192</u>
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Liabilities and Member's Equity

Accounts payable	\$	700
Accrued Expenses		5,000
Accrued compensation		<u>3,721</u>

Total liabilities		<u>9,421</u>
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Total member's equity		<u>684,771</u>
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Total liabilities and member's equity	\$	<u><u>694,192</u></u>
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The accompanying notes are an integral part of these financial statements

Apexus Capital LLC
Statement of Income
For the year ended December 31, 2019

Revenue

Commissions	
Govt securities	\$ 6,225
Certificates of Deposit	370
Corporate fixed income securities	3,241
Municipal securities - taxable	7,607
Municipal securities	29,579
Clearing firm interest	<u>1,232</u>
 Total commissions and clearing firm interest	 \$ 48,254
 Realized profits on marketable securities	 91,160
Unrealized profit on marketable securities	11
Transaction Charges	<u>108,905</u>
 Total Revenue	 <u>\$ 248,330</u>

Expenses

Accounting/Audit	\$ 13,450
Automobile Expense	2,520
Occupancy	6,000
Clearing charges	64,412
Email and data storage	2,696
Employee compensation and benefits	42,365
Equipment expense	1,800
Insurance	2,700
Operating expenses	29,768
Professional fees	30,038
Software expense	<u>22,174</u>
 Total expenses	 <u>217,923</u>
 Net Income (loss) before income taxes	 30,407
 Income tax Provision	 800
Income Tax expense	
 Net Income (loss)	 <u>\$ 29,607</u>

The accompanying notes are an integral part of these financial statements

Apexus Capital LLC
Statement of Changes in Member's Equity
For the year ended December 31, 2019

	Total Member's Equity
Beginning Balance January 1, 2019	\$ 655,164
Net Income (loss)	29,607
Additional Capital	-
Capital Withdrawals	-
Ending Balance December 31, 2019	\$ 684,771

The accompanying notes are an integral part of these financial statements

Apexus Capital LLC
Statement of Cash Flows
For the year ended December 31, 2019

CASH FLOWS FROM OPERATING ACTIVITIES:

Net Income	\$	29,607
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		
Amortization		(13)
Unrealized profit on marketable securities		(11)
(increase) decrease in:		
Accounts receivable		(6,800)
Clearing firm deposit account		1,013
Clearing firm receivable		9,133
Clearing firm valuation account		500,000
CRD balance		148
Marketable securities		(124,190)
Other assets		<u>2</u>
Increase (decrease) in:		
Accounts payable and accrued expenses	\$	<u>360</u>
Clearing firm margin		(309,055)
Commissions payable		28
Total adjustments	\$	<u>70,615</u>
Net cash provided (used) by operating activities:	\$	<u>100,222</u>

CASH FLOWS FROM FINANCING ACTIVITIES:

Capital contributions		-
Net cash provided by (used in) by financing activities:		<u>-</u>
Increase (decrease) in cash		100,222
Cash at beginning of year		17,466
Cash at end of year		117,688
Cash paid during the year for:		
Interest	\$	-
Income taxes	\$	800

The accompanying notes are an integral part of these financial statements

APEXUS CAPITAL LLC

Notes to Financial Statements

December 31, 2019

Note 1: GENERAL & SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

GENERAL

Apexus Capital LLC (the "Company") was formed in 2015 under the laws of Delaware as a Limited Liability Company. The Company is registered as a broker-dealer with the Securities and Exchange Commission (the "SEC") and is a member of the Financial Industry Regulatory Authority ("FINRA") and Securities Investor Protection Corporation ("SIPC"). The Company is authorized to operate pursuant to SEC Rule 15c3-3(k)(2)(ii) (the Customer Protection Rule), clearing all transactions on a fully-disclosed basis through its clearing firm, COR Clearing LLC. The Company is authorized to engage in the following activities: a) broker or dealer retailing corporate securities; b) U.S. government securities broker or dealer; c) solicitor of time deposits in a financial institution; d) put and call broker - offering hedging strategies for convertible debt; e) trading securities for the Company's own account; f) private placement of securities and g) municipal securities dealer or broker. The Company will not hold customer funds or safekeep customer securities.

FASB ASC 820 defines fair value, establishes a framework for measuring fair value, and establishes a fair value hierarchy which prioritizes the inputs for valuation techniques. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement assumes that the transaction to sell the asset or to transfer the liability, in the absence of a principal market, is the most advantageous market value for the asset or liability. Valuation techniques that are consistent with the market, income or cost approach, as specified by FASB ASC 820 are used to measure fair value.

The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value into three broad categories:

- Level 1 inputs are quoted prices (unadjusted) for identical assets or liabilities in active markets the Company has the ability to access;
- Level 2 inputs are recent transactions or other inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, or for comparable assets or liabilities, either directly or indirectly;
- Level 3 inputs are unobservable inputs for the asset or liability that rely on management's assumptions and evaluations about the inputs that market participants would use in pricing the asset or liability. The unobservable inputs should be developed based on the best information available based on the circumstances and may include the Company's own data.

Fair Value Measurement on a Recurring Basis as of December 31, 2019

Assets	Level 1	Level 2	Level 3	Total
Fixed Income Securities	\$100,500	\$452,761	-	\$553,261

The accompanying notes are an integral part of these financial statements.

Note 1: GENERAL & SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The Company is a wholly owned subsidiary of Apexus Capital Holding, Inc. ("Parent"). The company is subject to taxation in the U.S. and the State of California as a pass through entity to the Parent. The Company is subject to audit for the tax years 2016 through 2018.

Trades are recorded on a trade date basis with related commissions, trading profits and losses, and trade related expenses also recorded on a trade date basis.

The Company does not own fixed property or equipment. Software development expenses are amortized using 36 month straight line depreciation. Software Amortization for the year ended December 31, 2019 was \$300.

Cash and equivalents include highly liquid investments or deposits in unrestricted accounts and with an original maturity of three months or less. The Company maintains its cash in bank deposit accounts, which at times may briefly exceed FDIC insurance limits. The Company maintains cash and highly liquid investments in a deposit account with its clearing firm, COR Clearing LLC. The firm's access to the amounts in the deposit account are restricted in accordance with the terms of the firm's clearing agreement. The Company has not experienced any losses in such accounts.

Securities owned are valued at Fair Value, as per FASB ASC 820, discussed above. The resulting differences between cost (unamortized) and fair market value are included in income.

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosures of contingent assets and liabilities at the date of the financial statements. Actual results could differ from these estimates.

The management has reviewed the results of operations for the period of time from its year end December 31, 2019 through February 7, 2020, the date the financial statements were available to be issued, and have determined that no adjustments are necessary to the amounts reported in the accompanying financial statements nor have any subsequent events occurred, the nature of which would require disclosure.

CONCENTRATIONS OF CREDIT RISK

The Company is engaged in various trading and brokerage activities (as discussed above) in which counter-parties primarily include broker-dealers, investment advisors, banks and other financial institutions. In the event counter-parties do not fulfill their obligations, the Company may be exposed to risk. The risk of default depends on the creditworthiness of the counterparty or of the issuer of the security. It is the Company's policy to review, as necessary, the credit standing of each counterparty and of each security held.

The accompanying notes are an integral part of these financial statements.

ASC 606 REVENUE RECOGNITION

Revenue is measured based on a consideration specified in a contract with a customer, and excludes any sales incentives and amounts collected on behalf of third parties. The Company recognizes revenue when it has satisfied a performance obligation by transferring control over a product or service to or from a customer.

Taxes and regulatory fees assessed by a government authority or agency that are both imposed on and concurrent with a specified revenue-producing transaction, that are collected by the Company from a customer, are excluded from revenue.

The following is a description of activities – separated by reportable segments, per FINRA Form "Supplemental Statement of Income (SSOI)"; from which the Company generates its revenue, with detailed information about reportable segments:

Commissions: This includes performance obligations related to transactions that are subject to SEA Rule 10b-10 for any remuneration that is required to be disclosed. It also includes any transaction where the Company is engaged as an agent. It does not include net gains or losses from transactions made by the Company when acting as principal, or from riskless principal transactions.

Net Gains or Losses on Principal Trades: This includes all realized and unrealized gains or losses from proprietary trading and net gains or losses from "riskless" principal transactions.

Interest/Dividend Income. This includes interest and/or dividends on securities held in the Firm inventory.

Note 2: NET CAPITAL REQUIREMENTS

The Company is subject to the uniform net capital rule (Rule 15c3-1) of the Securities and Exchange Commission, which requires both the maintenance of minimum net capital and the maintenance of a maximum ratio of aggregate indebtedness to net capital. The Minimum Net Capital Requirement is the greater of 6 2/3 times Aggregate Indebtedness or \$100,000. Net capital and aggregate indebtedness change day by day, and also intraday, but on December 31, 2019, the Company's net capital was \$640,648 and Aggregate Indebtedness was \$9,421. The Company's net capital exceeded its minimum net capital requirement of \$100,000 by \$540,648. The Company's ratio of aggregate indebtedness to net capital was 0.01 to 1, which is less than the 15:1 ceiling required.

Note 3: FIXED ASSETS

At December 31, 2019, the Company did not hold any fixed assets.

Note 4: RELATED PARTY

The Company has entered into an Expense Sharing Agreement with its parent, Apexus Capital Holding, Inc. The Company pays its Parent a fixed monthly amount for overhead expenses, including rent for office space in Santa Monica, CA, automobile expense, supplies, repairs and maintenance, telephone and internet, and software lease, maintenance and development and website maintenance and development.

During 2019, the Company paid to its Parent: \$26,908.

In February 2016 the FASB issued ASU 2016-02 on Leases. Under the new guidance lessees are required to recognize a lease liability and a right-to-use asset for all leases at the commencement date, with the exception of short-term leases. ASU 2016-02 is effective for annual and interim periods beginning after December 15, 2018 and early adoption is permitted. The Company is not subject to this requirement inasmuch as it has an expense sharing agreement with its Parent.

Note 5: INCOME TAXES

Income for the limited liability Company is reported as income of the Parent for income tax purposes. Federal income taxes are not payable by or provided for the Company. The Parent is taxed on the Company's earnings. The Company is subject to a State of California \$800 limited company annual tax.

The accompanying notes are an integral part of these financial statements.

APEXUS CAPITAL LLC

Statement of Net Capital

Schedule I

December 31, 2019

AUDIT 12/31/2019

Member's Equity, December 31, 2019	684,771
Subtract – Non-Allowable assets:	
Fixed Assets	-
Other Assets	22,220
 Tentative Net Capital	 662,551
 Haircuts	 21,903
 NET CAPITAL	 640,648
 Minimum net capital	 100,000
 Excess net capital	 540,648
 Aggregate indebtedness	 9,421
 Ratio of aggregate indebtedness to net capital	 0.01

There were no differences between the Audit for 12-31-19 and the FOCUS report for 12-31-19.

The accompanying notes are an integral part of these financial statements.

APEXUS CAPITAL LLC

December 31, 2019

Schedule II

Determination of Reserve Requirements

Under Rule 15c3-3 of the Securities and Exchange Commission, the Company is exempt from the Reserve Requirement computation according to the provision of Rule 15c3-3(k)(2)(ii)

Schedule III

Information Relating to Possession or Control Requirements under Rule 15c3-3

The Company is exempt from Rule 15c3-3 as it relates to Possession and Control requirements under the (k)(2)(ii) exemptive provision.

The accompanying notes are an integral part of these financial statements.

Assertions Regarding Exemption Provisions

We, as members of management of Apexus Capital LLC ("the Company"), are responsible for compliance with the annual reporting requirements under Rule 17a-5 of the Securities Exchange Act of 1934. Those requirements compel a broker or dealer to file annual reports with the Securities Exchange Commission (SEC) and the broker or dealer's designated examining authority (DEA). One of the reports to be included in the annual filing is an exemption report prepared by an independent public accountant based upon a review of assertions provided by the broker or dealer. Pursuant to that requirement, the management of the Company hereby makes the following assertions:

Identified Exemption Provision:

The Company claims exemption from the custody and reserve provisions of Rule 15c3-3 by operating under the exemption provided by Rule 15c3-3, Paragraph (k)(2)(ii).

Statement Regarding Meeting Exemption Provision:

The Company met the identified exemption provision without exception throughout the period from January 1, 2019 through December 31, 2019.

Apexus Capital LLC.

By:

Daniel Nagy

Daniel E. Nagy, President & CCO

2-7-20

Date

BRIAN W. ANSON

Certified Public Accountant

18401 Burbank Blvd., Suite 120, Tarzana, CA 91356 • Tel. (818) 636-5660 • Fax (818) 401-8818

**REPORT OF INDEPENDENT REGISTERED PUBLIC
ACCOUNTING FIRM**

Board of Members
Apexus Capital, LLC
Santa Monica, California

I have reviewed management's statements, included in the accompanying Exemption Report in which (1) Apexus Capital, LLC, identified the following provisions of 17 C.F.R. §15c3-3(k) under which Apexus Capital, LLC claimed an exemption from 17 C.F.R. §240.15c3-3: (k)(2)(ii) (the "exemption provisions") and (2) Apexus Capital, LLC, stated that Apexus Capital, LLC, met the identified exemption provisions throughout the most recent fiscal year without exception. Apexus Capital, LLC's management is responsible for compliance with the exemption provisions and its statements.

My review was conducted in accordance with the standards of the Public Company Accounting Oversight Board (United States) and accordingly, included inquiries and other required procedures to obtain evidence about Apexus Capital, LLC's compliance with the exemption provisions. A review is substantially less in scope than an examination, the objective of which is the expression of an opinion on management's statements. Accordingly, I do not express such an opinion.

Based on my review, I am not aware of any material modifications that should be made to management's statements referred to above for them to be fairly stated, in all material respects, based on the provisions set forth in paragraph (k)(2)(ii) of Rule 15c3-3 under the Securities Exchange Act of 1934.



Brian W. Anson
Certified Public Accountant
Tarzana, California
February 7, 2020